RISE

UKRAINE

Building digital infrastructure for managing, monitoring and auditing Ukrainian reconstruction

What is RISE

We are a coalition of Ukrainian and international public organizations, initiatives, state institutions and activists who support our **Principles for Ukraine's Reconstruction and Modernization** through constructive dialogue with the authorities and international partners.

We have united to promote principles of integrity and participation for Ukraine's development, building accountability mechanisms for reconstruction, timely disclosure of data, development of digital solutions for reconstruction, and involving citizens and businesses in the planning, monitoring and oversight.

Integrity

Sustainability

Efficiency

Our principles

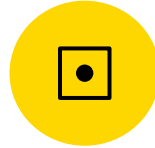Ukrainian owned, internationally verified

Renewal

Transparency and Accountability

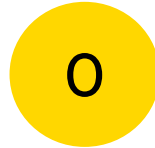Competition and Efficiency

Sustainability

Coordination

Equity and inclusion

Publication and use of open data

Reforms must continue

Zero tolerance to corruption

Members of the Coalition

How we work

→ **Trust**

All members of the Coalition act on the basis of openness and trust.

→ **Transparency and accountability**

The activities of the Coalition should be proactively accountable, transparent and accessible to the public. Information on decisions within the Coalition should be made public and will be available to all stakeholders.

→ **Co-governance**

We offer constructive solutions and are ready to take responsibility for their implementation. Coalition members bring their experience of creating digital government services including Prozorro, Prozorro.Sales, e-Health and other successful government systems, and are ready to work purposefully with the government.

→ **Co-creation and inclusion**

The Coalition encourages participation and collaboration with a wide range of stakeholders, including communication, consultation and involvement of national and local authorities, civil and international organizations, private sector actors, and the military.

→ **Openness in our communication**

We will serve as an independent source of information on the reconstruction to enable timely reporting of corruption risks and violations, and counteract misinformation.

→ **Independent and non-political**

The coalition will remain independent and we will not participate in the allocation of resources for reconstruction to avoid any conflicts of interest. We are non-partisan and we will not support political organizations and politicians, nor will we promote any political views. We are equidistant from all political movements and we work exclusively in the interests of the Ukrainian people.

→ **Zero tolerance to corruption**

The coalition adheres to the principle of zero tolerance for corruption by its members.

Founders and the Board

RISE UKRAINE

Viktor Nestulia
Open Contracting Partnership,
Chairman

Anastasiya Kozlovtseva
Open Government Partnership

Oleksii Dorogan
BRDO

Svitlana Matviyenko
Laboratory of Legislative
Initiatives

Oleksii Sobolev
Prozorro Sales

Vasyl Zadvornyi
Prozorro

Andrii Borovyk
Transparency International
Ukraine

Our supporters

MINISTRY OF INFRASTRUCTURE OF UKRAINE

NATIONAL AGENCY ON CORRUPTION PREVENTION

Open Government Partnership

prozorro

prozorro sale

Vkursi

YOU CONTROL

Ministry of Energy of Ukraine

МІНІСТЕРСТВО ЕКОНОМІКИ УКРАЇНИ

The Accounting Chamber
Supreme Audit Institution of Ukraine
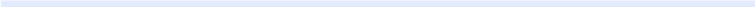
Our objectives

Our goal is to support the recovery and modernization of Ukraine after the war, to increase the amount of funds dedicated to the reconstruction of Ukraine, and to ensure their transparent and efficient use by:

- Accountable, transparent and inclusive processes to enable the participation of all relevant public and private actors involved in the reconstruction.

- Effective mechanisms for flagging risks and escalating cases for investigation by the appropriate internal and external enforcement authorities overseeing the use of reconstruction funds.

- Ensuring the involvement of citizens and businesses in the planning, monitoring and oversight of recovery spending building on existing **citizen feedback approaches, such as using the Dozorro** network of civic monitors.

- Development of digital solutions and platforms to power the reconstruction, including an electronic reconstruction management system integrated with existing digital public services portals such as Diia, Prozorro, Prozorro.Sale and others.

- Publishing complete, timely, and open data complying with international best practices and open data standards for publishing information, such as the Open Contracting Data Standard for public procurement from project planning to implementation and the Beneficial Ownership Data Standard for information on businesses winning contracts.

- Communicating the reconstruction process and implementation across the different projects and stakeholders to improve coordination. We will create a one-stop information platform to share insights and provide up-to-date analysis of the progress in key areas of reconstruction for internal and external stakeholders.

Key priorities

1	Formation and advocacy of the reconstruction institutional architecture

2	Co-development of Electronic reconstruction management system

3	Reconstruction monitoring to prevent violations and promote best practices

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Plans within priority streams

Formation and advocacy of the reconstruction institutional architecture

→ It is already clear that the recovery process will last many years, will cost hundreds of billions and will require more than a hundred thousand decisions at various levels on tens of thousands of projects

→ At the same time, politicians will compete for influence and money and tend to make decisions manually, opaquely and without balancing the interests of stakeholders

→ This creates significant corruption and inefficiency risks, which in turn are key risks to the provision of reconstruction finance

→ The coalition is working to build an institutional architecture for recovery that would ensure stakeholder coordination and influence in the process, promote transparency and openness

→ Participants conduct research, prepare recommendations, provide evaluations of the authorities' actions, prepare drafts of regulatory and legal acts, conduct advocacy

Formation and advocacy of the reconstruction institutional architecture: already in progress

→ **Coalition initiatives:**

- **KSE**, together with **Prozorro.Sale**, conducts research on the best international reconstruction practices. The main conclusion should be restored better, inclusively, through the main agency, with the acceleration of procurement. It is also necessary to start the reconstruction as soon as possible.

- **BRDO** has done research on international experiences and best practices for transparent and accountable reconstruction. The main conclusion - in the situation of post-war reconstruction, it is important to adapt the financial management system in such a way as to ensure the traceability of all funds directed to reconstruction, the possibility of control by auditors and the parliament, and the availability of information to citizens.

- The **Institute of Advocacy and Analytics** conducts research on ways to restore countries after destruction. The main conclusion is the need for prioritization of industries and transparent mechanisms for the use of MFD funds.

- **Institute of Legislative Ideas** - Priority steps to minimize corruption risks and a note on the creation of the Agency for the Reconstruction of the Country

Formation and advocacy of the reconstruction institutional architecture: <mark>deep dive</mark>

- **Recovery after various disasters has 144 successful examples only in the last 10 years,** the experience of which is collected by the organization DFDRR. It focuses on preventive measures and repeatability of future processes. Therefore, general frameworks are not suitable for Ukraine, even if they have a similar type of destruction (for example, civil and public infrastructure)

- **Reconstruction after wars** has relatively fewer cases over the last half century (the study is based on the example of 36 countries - most of them are civil wars):

  - The most useful for Ukraine is the analysis of mistakes made by donors and recipients in the reconstruction of Afghanistan with the participation of the USA

Formation and advocacy of the reconstruction institutional architecture: deep dive

- **The main mistakes in the reconstruction of Afghanistan:**

  - Exposure

  - Grassroots and top-level corruption

  - Lack of monitoring and evaluation

  - "Failure in the export of expertise"

  - "Short planning"

  - Lack of constancy

Formation and advocacy of the reconstruction institutional architecture: <mark>deep dive</mark>

Although the experience of disaster recovery focuses on prevention of recurrence and is not very relevant to the case of Ukraine, the examples nevertheless have a number of interesting best practices, listed below:

- **Turning adversity into opportunity.** In the context of Ukraine, "preventing future risks" is an understanding of the importance of the army for the future of the country.

- **Building Back Better.** In Ukraine, this is an opportunity to replace the old housing stock

- Giving priority to **the inclusive recovery of vulnerable groups** (in Ukraine, this is the ability to prevent migration)

- **Creation of the coordination agency**

- **Speeding up procurement** (but maintaining accountability, for example through framework agreements)

- **Start reconstruction as soon as possible**

- It is important that **governments prepare** for a "disaster" to ensure adequate legal and institutional capacity to plan for action. This mandate may be modified to meet post-disaster needs

- Long-term **planning of human resources** to reduce risks in the future (for example, changing professional training, etc. In our case - training of the army)

Formation and advocacy of the reconstruction institutional architecture: questions for discussion

The formation of the institutional architecture of reconstruction involves a clear definition of the processes that must be ensured.

→ **An example of such processes can be:**

1. Inventory of damaged assessment
2. Data collection and analysis for prioritization and planning of reconstruction
3. Planning and prioritization of reconstruction projects
4. Project financing (including procurement)
5. Project implementation (supply of goods and performance of works)
6. Payment of works
7. Commissioning, operational maintenance

→ **Horizontal questions:**

a. National Agency for Reconstruction
b. Money through the treasury, bank accounts, international structures?
c. Ex-ante and ex-post monitoring and auditing
d. Appeal
e. Prosecution

Co-development of Electronic reconstruction management system

→ **Electronic reconstruction management system**

Should be based on a detailed analysis of all business processes that ensure recovery.

The electronic reconstruction management system will cover the processes from the initiation of the project to its completion.

The reconstruction (restoration) project can cover both the physical reconstruction of one object (or its reconstruction) and a complex of objects or additional processes related to the restoration of the function of the object.

→ **The key stages of system creation should be:**

- Analysis and design
- Piloting based on one of the directions (for example, restoration of infrastructure facilities)
- Finalization of the project
- Launching a full-fledged system that will cover both pilot direction and projects of all types.

Co-development of Electronic reconstruction management system

→ **An approximate list of stages (processes) that require digitalization**

1. Inventory and damage assessment
2. Data collection and analysis for prioritization and planning of reconstruction
3. Planning and prioritization of reconstruction projects
4. Project financing (including procurement)
5. Project implementation (supply of goods and performance of works)
6. Payment for works
7. Commissioning, operational maintenance
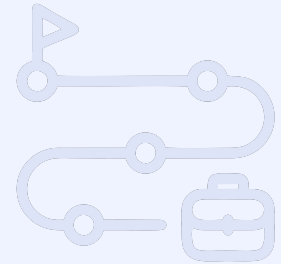
Each of these steps requires the involvement of significant human resources and the collection, processing and analysis of large amounts of data, modeling, forecasting and other data-related activities. Implementation of projects of this scale without the use of specialized IT systems excessively complicates the process, including the process of exchanging information, analyzing data and making management decisions, makes it opaque and ineffective.

A single electronic reconstruction management system - an ecosystem of IT solutions - will help ensure the efficiency, transparency and accountability of the restoration process.

Such a system should be based on the Register of Damaged Property, which is already being developed by the Ministry of Infrastructure with the support of other involved ministries, and ensure the digitization of the "Inventory and Damage Assessment" process.

Electronic Reconstruction Management System

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Electronic solution based on e-construction (Diia) for transparent, accountable and efficient planning, prioritization, and management of country reconstruction

The owner of the system is the **Government of Ukraine**

Pilot project - **based on Ministry of Infrastructure of Ukraine**

Users - **RSA, Local governments, CMU, International partners, construction customers, contractors, technical supervisors, auditors and controllers**

Access to data and reporting is **worldwide**

Електронна система управління відбудовою
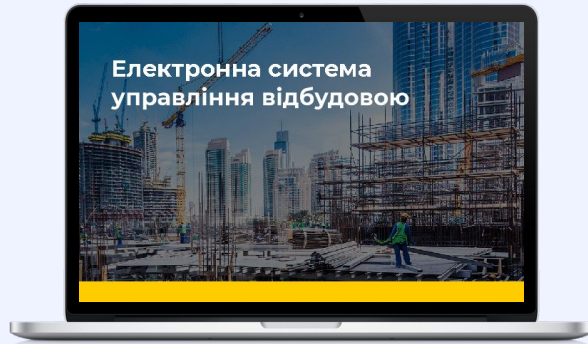
➔ Single space for accounting of damaged and destroyed infrastructure

➔ Formation of a single database of projects, including their definition, appraisal and release of funding (including international funds)

➔ Analytics for decision-making on reconstruction, dismantling, relocation of objects and prioritization of projects

➔ Procurement or concession auctions, PPP (through Ukrainian Prozorro & Sale)

➔ Automatic start and commissioning permits through Diia

➔ Project implementation and reporting on implementation stages (including problems)

➔ Reports on project implementation, including for auditing and risk management online

➔ Convenient management dashboards on a smartphone and publication of data (Open Contracting Data Standard) for international partners and the civil society

1. Planning and prioritisation module

Municipalities

Regional administrations

Central Government

Register of destroyed assets

Comprehensive decision support system for the deployment of productive forces and reconstruction

GIS

Statistical data

Modelling of different options for reconstruction based on different indicators, including accessibility, population coverage, etc.

PRegister of projects for reconstruction

Submission of proposals and budget request to the Authorized Body (or CMU)

List of approved projects and their priority

Submission of projects for approval of funding

List of projects approved for funding from international partners

Internal funding

4. Management and public reporting

Government reports

Donors and creditors reports

Accountability to citizens

OPEN CONTRACTING DATA STANDARD

Structured open data publication at every stage

3. Commissioning

Project launch

e-Construction portal

Selective audit

2. Implementation module

Feedback from contractors or citizens

Reporting on actual implementation: start of construction, progress, technical inspection, payments, problems, delays, etc.

Funded projects for implementation

Detailed project profile: contractor, subcontractors, contract, conditions, terms ...

Дія

e-construction

proz•rro

prozorro продажі

Procurement, PPP or concessions through Ukrainian systems

1. Inventarization&prioritization module

Central authorities
Regional authorities
Local authorities

Register of damaged and destroyed property

Geoanalytical module to support reconstruction decision-making

2. Planning&monitoring module

Pilot project

List of reconstruction projects (infrastructure projects)

Rebuild Ukraine digital management (infrastructure projects)

Full system

List of reconstruction projects

Rebuild Ukraine digital management

4. Implementation module

Project management systems for construction and rebuild (eRoad)

Separate project management systems for construction and rebuild

Unified state electronic system in the field of construction (projects implementation, project passport, project technical documentation, etc.)

5. Public reporting module

Data publication aligned with the standard

OPEN CONTRACTING PARTNERSHIP

Reports for OPU and CMU

Reports for donors and creditors

Reports for citizens

3. Financing module

System for donor's funding search

prozorro
prozorro продажі

Systems for procurement, PPP, concessions
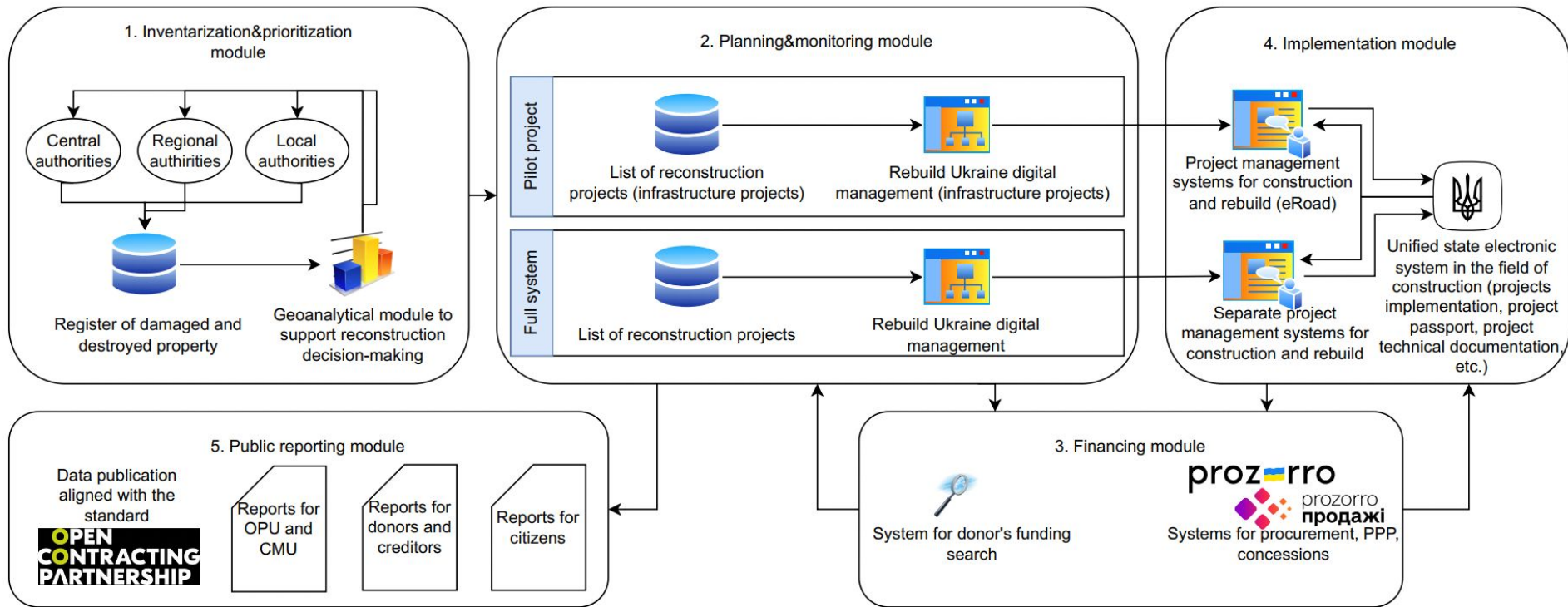
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a new standard for open government and open contracting, a model for the world

Full transparency of the reconstruction process, trust, support, coordination of international partners, civil society, business, investors
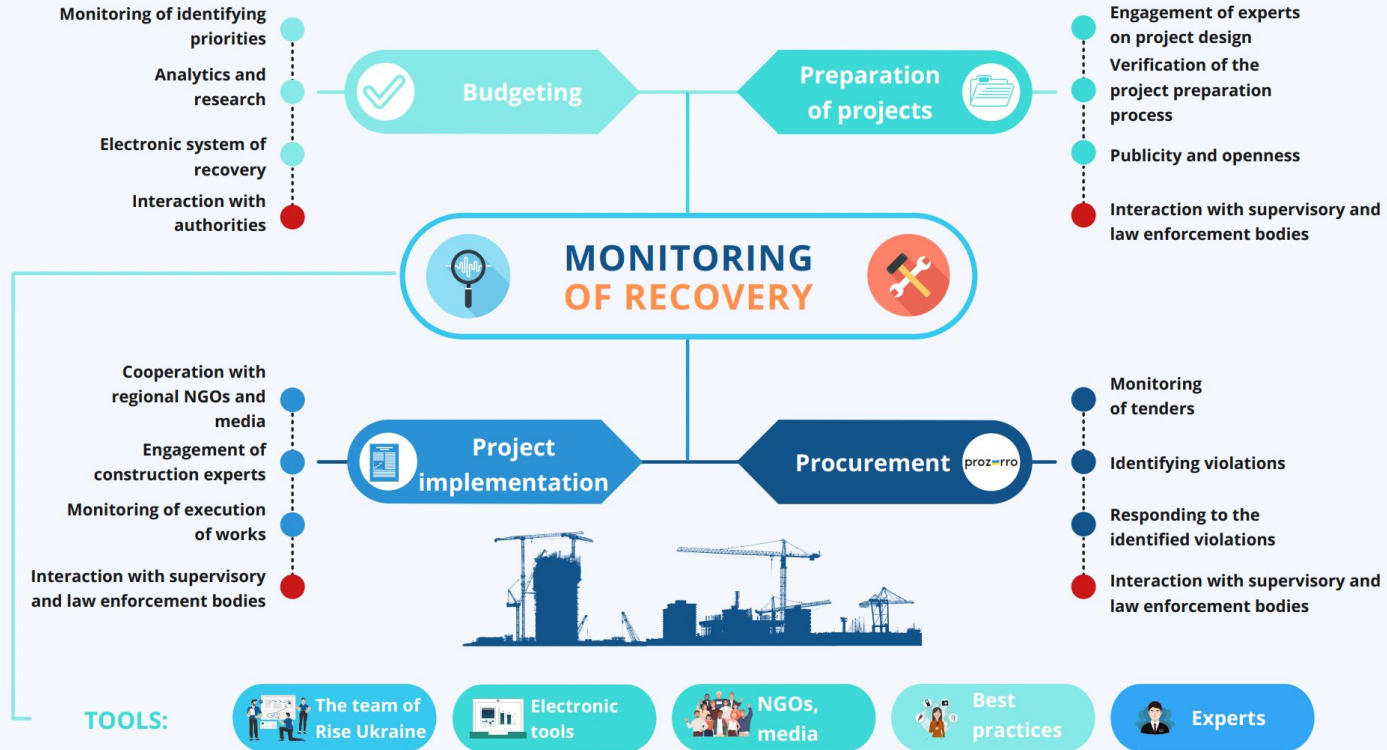
→ Simplicity, rationality, efficiency of decision-making

→ Full transparency, accountability, control over the use of funds

→ Effective construction management from planning to operation

→ High-quality modern, ecological, inclusive infrastructure

→ Ability to track implementation plans and progress online

→ Automated system of risk indicators for monitoring

→ Direct channel of communication on possible abuses

→ Online inspections and audits

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Reconstruction monitoring to prevent violations and promote best practices: already in progress

- The formation of proposals regarding priority reforms and strategic initiatives, projects of regulatory and legal acts, the adoption and implementation of which are necessary for the effective work and restoration of Ukraine

- It is planned to monitor purchases related to the elimination of the consequences of military aggression

- It is planned to select regional NGOs and journalists to monitor projects and costs related to the reconstruction of Ukraine in the war and post-war periods

- CES together with experts researched "Ukraine 2030" about the post-war development

- The Anti-corruption headquarters launched a destruction monitoring map https://reukraine.shtab.net/

- The KSE is implementing a project to assess the damage caused by the consequences of the war RebuildUA

- Other initiatives?

Reconstruction monitoring to prevent violations and promote best practices

MONITORING OF THE REBUILDING PROCESS TO PREVENT ABUSES AND PROMOTE BEST PRACTICES

MONITORING OF RECOVERY

Budgeting
- Monitoring of identifying priorities
- Analytics and research
- Electronic system of recovery
- Interaction with authorities

Preparation of projects
- Engagement of experts on project design
- Verification of the project preparation process
- Publicity and openness
- Interaction with supervisory and law enforcement bodies

Project implementation
- Cooperation with regional NGOs and media
- Engagement of construction experts
- Monitoring of execution of works
- Interaction with supervisory and law enforcement bodies

Procurement
- Monitoring of tenders
- Identifying violations
- Responding to the identified violations
- Interaction with supervisory and law enforcement bodies

TOOLS:
- The team of Rise Ukraine
- Electronic tools
- NGOs, media
- Best practices
- Experts

Positive scenario ✓

- An ambitious but realistic reconstruction plan
- Completeness of information, clear understanding of processes both inside of the country and abroad
- Transparent approaches to planning and funding
- Clear coordination of reconstruction
- Accountability to citizens and international partners
- Trust and support of donors
- Regular financing of projects
- Fast and efficient reconstruction
- Attracting international private investments
- Fast and effective reforms
- Development of Ukrainian business
- Transition to a growth economy
- Increase in GDP, exports, jobs
- Accession to the EU
- Creation of a powerful European state

Negative scenario ✗

- Unrealistic reconstruction plan
- Lack of information about reconstruction
- Closed planning and financing
- Incoordination of stakeholders' actions
- Weak control over the use of funds
- Mistrust of international partners
- Delays with funding
- Corruption and inefficiency in planning and funding
- Impossibility to influence the reconstruction processes by citizens
- Failure or slowdown of reforms
- Reconstruction failure, protracted recession
- Delaying accession to the EU
- Preservation of the status of a peripheral state

Thank you for your attention!

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